

AMENDED IN SENATE APRIL 11, 2005

AMENDED IN SENATE MARCH 17, 2005

SENATE BILL

No. 190

Introduced by Senator Cedillo

February 10, 2005

An act to amend Section 17518.5 of the Government Code, relating to state mandates.

LEGISLATIVE COUNSEL'S DIGEST

SB 190, as amended, Cedillo. State mandates.

Under the California Constitution, whenever the Legislature or a state agency mandates a new program or higher level of service on any local government, including a school district, the state is required to provide a subvention of funds to reimburse the local government, with specified exceptions. Statutory provisions establish procedures for making that reimbursement and define a reasonable reimbursement methodology for this purpose.

This bill would, on or before June 1, 2006, require the Department of Finance to develop a reasonable reimbursement methodology *for local agencies, not including school districts*, in consultation with the Controller, an affected state agency, a claimant, interested local governments, and any other interested parties.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17518.5 of the Government Code is
- 2 amended to read:

1 17518.5. (a) “Reasonable reimbursement methodology”
2 means a formula for reimbursing local agency ~~and school district~~
3 costs mandated by the state that meets the following conditions:

4 (1) The total amount to be reimbursed statewide is equivalent
5 to total estimated local agency ~~and school district~~ costs to
6 implement the mandate in a cost-efficient manner.

7 (2) For 50 percent or more of eligible local agency and school
8 district claimants, the amount reimbursed is estimated to fully
9 offset their projected costs to implement the mandate in a
10 cost-efficient manner.

11 (b) Whenever possible, a reasonable reimbursement
12 methodology shall be based on general allocation formulas,
13 uniform cost allowances, and other approximations of local costs
14 mandated by the state, rather than based on detailed
15 documentation of actual local costs. In cases when local agencies
16 ~~and school districts~~ are projected to incur costs to implement a
17 mandate over a period of more than one fiscal year, the
18 determination of a reasonable reimbursement methodology may
19 consider local costs and state reimbursements over a period of
20 greater than one fiscal year, but not exceeding 10 years.

21 (c) (1) On or before June 1, 2006, the Department of Finance
22 shall develop a reasonable reimbursement methodology in
23 consultation with all of the following:

24 (A) The Controller.

25 (B) An affected state agency.

26 (C) A claimant.

27 (D) Interested local governments.

28 (E) Any other interested parties.

29 (2) This subdivision does not require the participation by any
30 party consulted by the Department of Finance pursuant to
31 paragraph (1).

32 *(d) Notwithstanding any other provision of law, for purposes*
33 *of this section, “local agency” shall not be construed to include*
34 *any local school district, county office of education, charter*
35 *school, or any other local educational agency.*